State of South Dakota

EIGHTIETH SESSION
LEGISLATIVE ASSEMBLY, 2005

393L0463   **SENATE LOCAL GOVERNMENT COMMITTEE**

ENGROSSED NO. SB 136 - 01/31/2005

Introduced by: Senator Lintz and Representatives Pederson (Gordon) and Howie

1   FOR AN ACT ENTITLED, An Act to provide a procedure for awarding construction project

2   contracts if no bids are received during a competitive bid process and to declare an

3   emergency.

4   BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF SOUTH DAKOTA:

5   Section 1. That § 5-18-9.1 be amended to read as follows:

6   5-18-9.1. If after advertising for bids pursuant to § 5-18-3 for <u>any construction project or</u> the

7   purchase of materials, supplies, or equipment, no bids are received, the governing board of a

8   unit of local government may negotiate a contract for <u>any construction project or</u> the purchase

9   of the materials, supplies, or equipment at the most advantageous price. However, the

10   <u>construction project,</u> materials, supplies, or equipment shall meet the specifications of the

11   original advertisement for bids. The governing board shall contact and attempt to obtain

12   competitive quotations from at least three ~~suppliers~~ <u>businesses</u>. A record of the names of the

13   ~~suppliers~~ <u>businesses</u>, the quotations received and the procurement procedures used in purchasing

14   shall be documented, ~~spread upon~~ <u>included in</u> the minutes, and retained on file by the governing

15   body. The contract may include a procedure for adjusting prices to meet changing market

1   conditions not within the control of the ~~vendor~~ <u>business</u>. The adjustments may not result in

2   increases in the profit of the ~~vendor~~ <u>business</u>, and shall be supported by written justification

3   filed with the purchasing agent of the unit of local government.

4   Section 2. Whereas, this Act is necessary for the support of the state government and its

5   existing public institutions, an emergency is hereby declared to exist, and this Act shall be in

6   full force and effect from and after its passage and approval.